UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SINGULARDTV GMBH,

                         Plaintiff,

    v.

JOHN DOE,

                        Defendant.

Case No. 1:21-cv-6000

DECLARATION OF KEVIN E. MADURA

1. I, Kevin E. Madura, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge and belief. If called and sworn as a witness, I could, and would, testify to the truth of these facts and opinions set forth herein under oath.

2. I am a Senior Vice President in the global Cybersecurity practice group at AlixPartners, LLP and am an expert in cryptocurrency technology, including blockchains, and computer programming. I hold a Bachelor of Science in Computer Science from the University of Maryland and a Master's in Technology Management from Georgetown University. I have previously testified in a jury trial as an expert witness in the United States District Court for the Southern District of Florida regarding blockchain technology and computer programming. At AlixPartners I regularly assist clients with technical investigations, forensic analysis, and other issues that require expertise in cryptocurrencies and relevant technology such as applied cryptography and computer programs. My work includes forensically examining transaction activity on both the Bitcoin and Ethereum blockchains, among others.

1

3.   I regularly speak to law firms and other professional organizations to educate the industry regarding computer security, cryptocurrencies, and their implications for digital forensics. I have spoken about cryptocurrency technology at the American Bankruptcy Association, Center for Professional Education, and Armed Forces Communications and Electronics Association, among others.

4.   Prior to AlixPartners I was employed at International Business Machines (IBM) in the Federal consulting practice. While at IBM, I was as a subject matter expert in the areas of cybersecurity and applied cryptography working with both civilian and military agencies, including the Department of Defense. I also developed computer programs using blockchain technology for various government agencies in their efforts to explore potential uses of the technology.

5.   I have been retained as an expert in this matter and have been asked to provide context regarding blockchain technology and my analyses of certain transactions related to SingularDTV GmbH and associated entities.

BACKGROUND

6.   The term "blockchain" refers to a type of distributed ledger system that publicly records transactions between participants within the system in such a way that transactions are *verifiable* and *immutable*. Transactions are verifiable such that anyone can download a copy of the blockchain ledger and confirm the accuracy and validity of each and every transaction that has been recorded. Transactions are immutable in the sense that once they are written to the blockchain, they are cryptographically ensured to be unalterable; this property also makes transactions irreversible. Once a transaction is validated and written to the blockchain ledger it is considered final. These properties allow the transaction history to be verified by all participants in the blockchain network, so that everyone agrees on the same "state" of the ledger at a given point in time.

7.   An *address* on the blockchain can be thought of as loosely analogous to a bank account, in the sense that an individual or entity is able to send and receive funds through the address. When funds are transferred, effected through an update to the blockchain ledger, the receiving address is credited while the sending address is debited the amount being transferred. Funds are "locked" to an address and subsequently controlled through the use of cryptographic keys. While access to the *private key* is required to move or otherwise control (*i.e.*, send) funds to a different address on the network, anybody can view the transaction history of a particular address given the verifiable, open, and immutable nature of the blockchain.

DIGITAL ASSETS

8.   The Ethereum blockchain allows for the creation and transfer of digital assets. The default or "native" token on Ethereum is known as ETH, which has a current value of approximately $4,329.24[1] USD per ETH as of December 7, 2021. Other digital assets can be created by deploying a *smart contract* to the blockchain that defines the characteristics of the digital asset (often referred to as "tokens" or "coins"). A smart contract is a package of computer code that is stored on the blockchain ledger and is *deployed* by a special type of transaction. For example, the SNGLS token is a   digital   asset   defined   by   the   code   stored   at   Ethereum   address 0xaec2e87e0a235266d9c5adc9deb4b2e29b54d009. Participants on the Ethereum blockchain are thus able to send and receive SNGLS tokens much like they would send or receive ETH. The Ethereum blockchain supports many different types of digital assets, all of which can be transferred through transactions between addresses that are recorded on the Ethereum blockchain ledger.

9.   Because the blockchain is a public, open, and distributed system, anyone is able to view and examine transactions recorded in the ledger. SingularDTV GmbH has represented to me that

---

[1]https://www.coinbase.com/price/ethereum.

certain Ethereum addresses are intended to hold company assets, including the address 0xc78310231aa53bd3d0fea2f8c705c67730929d8f ("Cold Wallet"). I have directly reviewed the Ethereum blockchain for transactions relating to this address, as well as other addresses of interest, and have noted the following facts. Exhibit 3 details the transactions referenced in this Declaration.

<div align="center">COLD WALLET ACTIVITY</div>

10. Since October 2019, the Cold Wallet has sent 70,349 ETH to the address 0x3d83898c713ab127f6a844aec4fcef8e66d1ddfe ("Exchanger"), comprising a total cumulative value of approximately $22,000,000 USD.[2] I calculated the USD value by multiplying the amount of ETH transferred on a particular day with the historical market price of ETH for that day, using price data from well-known sources.[3] According to business records provided to me by Singular GmbH, Zachary LeBeau ("ZLB") used Exchanger on multiple occasions to exchange ETH for fiat currency. For example, on April 16, 2021, the Cold Wallet sent 250 ETH to Exchanger. More recently, on May 4, 2021, the Cold Wallet sent 599 ETH, worth approximately $2,000,000 USD at the time of transfer, to that same Exchanger address. I have reviewed a declaration submitted by ZLB for this matter that states his co-founders "entrusted [him] with the seed phrase" which he describes as "a failsafe 'master key' allowing anyone knowing the phrase to access the cold wallet without the other pieces of information." (LeBeau Decl. at ¶ 39, 38). ZLB further states that "[he] alone administered the wallet" and "still [has] access to the fail-safe master key" (LeBeau Decl. at ¶ 42, 43). The Cold Wallet also has substantial outflows to the address 0xef27b98c40d4d5f3d41c3f6837d866fa19b73118 ("BinanceUser"), referred to as such due to the significant transaction history with a well known cryptocurrency exchange named Binance, as explored in Paragraph 15 of this Declaration.

---

[2] *See* Exhibit 1

[3] Using pricing data from Etherscan (https://etherscan.io) and Coingecko (https://www.coingecko.com/en/coins/ethereum/historical_data/usd#panel), which aggregates prices across multiple exchanges.

SNGLS DAO TRANSACTIONS

11. On May 14, 2020, the controller of the Cold Wallet initiated an outbound transfer of 100,000,000 SNGLS tokens to the address 0x57e2ad2fdb5ae489b05112810fa10d949716c73f ("SNGLS DAO"), used for the development of SNGLS. Prior to that transaction taking place, SNGLS DAO had not received any amount of SNGLS tokens, meaning any funds subsequently sent from SNGLS DAO originated from the Cold Wallet. Minutes later, two subsequent transfers totaling 100,000,000 SNGLS were then initiated from SNGLS DAO to the address 0x186a3129cbe4e025ff39e1537620cce01fe94494 ("JohnDoe-SNGLS-1"). Over the next five days, JohnDoe-SNGLS-1 then proceeded to disburse the funds over a series of transactions:

    a. 35,000,000 SNGLS back to the Cold Wallet on the same day, May 14, 2020;

    b. 25,000,000 SNGLS to BinanceUser on May 16, 2020; and

    c. 25,000,000 SNGLS to the Gaze TV Foundation address 0xb943032ab8ca7750697b0dfce3567d3891ca473c on May 19, 2020.

The following table details these transactions and their timestamps:

Time	From	To	Amount	Token
2020-05-14 19:44:44 UTC	Cold Wallet	SNGLS DAO	100,000,000	SNGLS
2020-05-14 19:58:12 UTC	SNGLS DAO	JohnDoe-SNGLS-1	1	SNGLS
2020-05-14 20:01:34 UTC	SNGLS DAO	JohnDoe-SNGLS-1	99,999,999	SNGLS
2020-05-14 20:24:14 UTC	JohnDoe-SNGLS-1	Cold Wallet	35,000,000	SNGLS
2020-05-16 00:57:59 UTC	JohnDoe-SNGLS-1	BinanceUser	25,000,000	SNGLS
2020-05-19 13:54:06 UTC	JohnDoe-SNGLS-1	GazeTV Foundation	25,000,000	SNGLS

12. Upon reviewing the below screen captures of contemporaneous business records provided to me by SingularDTV GmbH, the 35,000,000 SNGLS transferred by JohnDoe-SNGLS-1 back to

the Cold Wallet appear to have been accounted for by SingularDTV GmbH as a repayment of outstanding personal debt of ZLB.
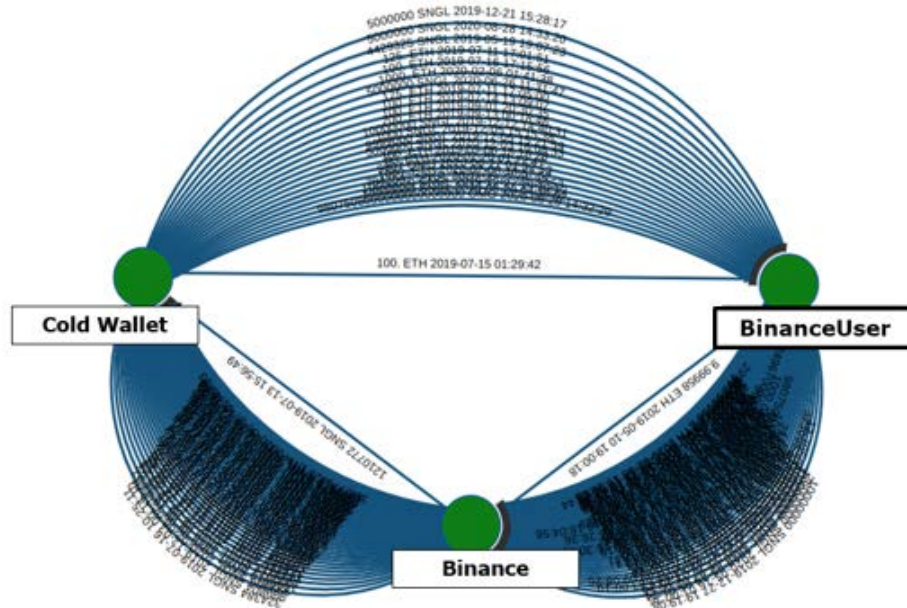

13. The repayment of debt indicates ZLB directly benefitted from the transfer of 35,000,000 SNGLS from JohnDoe-SNGLS-1 to the Cold Wallet because the transfer reduced his outstanding loan balance. ZLB's benefit from the transfer provides evidence that ZLB may control JohnDoe-SNGLS-1. Because JohnDoe-SNGLS-1 sends funds to BinanceUser, if ZLB does in fact control JohnDoe-SNGLS-1, it would also imply ZLB may be associated with, or know the identity of, the individual(s) in control of the BinanceUser address.

14. The above screen captures of contemporaneous business records also show dates and amounts of transfers that resulted in ZLB's outstanding debt (in the left-side screen capture). These

dates and amounts match transactions sent from the Cold Wallet to BinanceUser as seen in the table

below. This would indicate that BinanceUser is either operated by ZLB or operated for his benefit

in some way.

Time	From	To	Amount	Token
2019-12-05 15:15:38 UTC	Cold Wallet	BinanceUser	1,000.00	SNGLS
2019-12-05 15:21:59 UTC	Cold Wallet	BinanceUser	9,999,000.00	SNGLS
2019-12-12 14:40:31 UTC	Cold Wallet	BinanceUser	10,000,000.00	SNGLS
2019-12-21 15:28:17 UTC	Cold Wallet	BinanceUser	5,000,000.00	SNGLS
2019-12-27 19:10:13 UTC	Cold Wallet	BinanceUser	10,000,000.00	SNGLS

15. The "BinanceUser" address is referred to as such in this Declaration due to the significant

activity observed between the address in question, the Cold Wallet, and a known Binance deposit

address 0x3f5ce5fbfe3e9af3971dd833d26ba9b5c936f0be ("Binance"), as shown in the below

graphic. Upon receipt of the 25,000,000 SNGLS sent to BinanceUser from JohnDoe-SNGLS-1 on

May 16, 2020, they were sent to Binance minutes later.

16. On May 19, 2021, JohnDoe-SNGLS-1 transferred 25,000,000 SNGLS to the GazeTV

Foundation. Based on publicly available sources, the GazeTV Foundation (the "Foundation")

supports the development of GazeTV, which is described as a blockchain-powered social entertainment platform.[4] The Foundation uses the Ethereum address 0xb943032ab8ca7750697b0dfce3567d3891ca473c ("GazeTV Foundation address"), which was documented as the depository address for the Foundation in an August 2020 invoice submitted by the Foundation to SingularDTV GmbH.[5]

17. An archived version of the Foundation website from June 22, 2021 shows ZLB listed as a Co-founder of the Foundation[6].

18. The GAZE token public address is listed on the Foundation website as 0xd1e06952708771f71e6dd18f06ee418f6e8fc564 ("GazeTV Contract")[7] and was deployed to the Ethereum blockchain by the address 0xd32dbb2eed508b8832988358c036f5f3a5fca9cc ("GazeTV Deployer"). The individual(s) who control the GazeTV Deployer address dictate how the GAZE token works by deploying the relevant code to the blockchain, implying that one or more representatives from the Foundation, of which ZLB is listed as a Co-founder, may also control or exert influence over the GazeTV Deployer address.

SNGLS TOKEN TRANSACTIONS RELATED TO THE MAY 6, 2021 ALLEGED HACK

19. On July 14, 2020, the controller of the Cold Wallet sent 100,000,000 SNGLS to the address 0x96fd16a682bfb425b911a474b1c2e8324f4f4014 ("ZLB-Hack"), which I understand to be an address connected with an alleged hack that is the subject of the action captioned 1:21-cv-6000-VEC ("the Complaint") filed on 7/13/2021. Over the next 7 days in 2020, unrelated to the hack, ZLB-Hack

---

[4] https://www.gazetvf.com/about-us
[5] *See* Exhibit 2
[6] https://web.archive.org/web/20210602214822/https://www.gazetvf.com/about-us
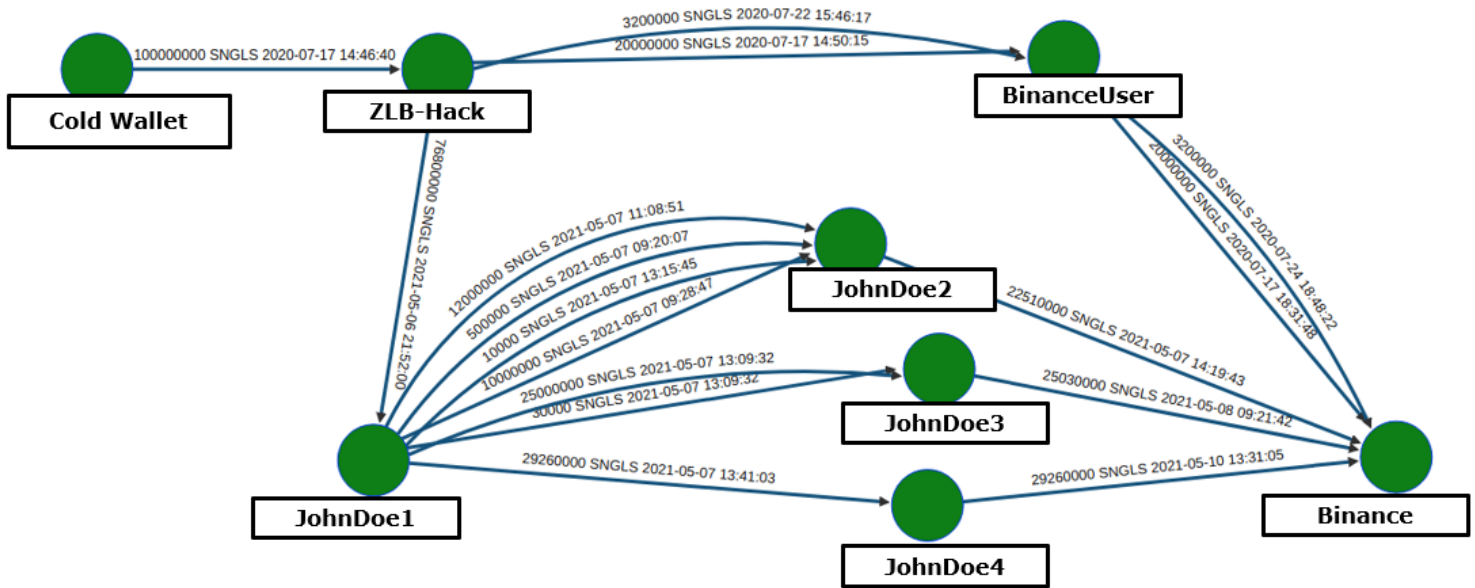[7] https://gazetvf.com

sent 20,000,000 and 3,200,000 SNGLS in two separate transactions to BinanceUser, where these

funds were subsequently sent to Binance.

20. Nearly a year later, on May 6, <u>2021</u> (UTC) and as part of the alleged hack, ZLB-Hack sent

76,800,000 SNGLS to an unknown address (referred to as "JohnDoe1" below). The Complaint states

that "LeBeau wired 76,800,000 SNGLS tokens to the cryptocurrency wallets … who was believed to

be Levy-Cohen." (Complaint, ¶14). ZLB's control of the ZLB-Hack address is evidenced by the fact

that ZLB effectuated the transfer in the alleged hack according to the Complaint.

21. On May 7, 2021 JohnDoe1 then routes the funds through a series of 7 transactions, with

funds eventually residing in three addresses. From May 7, 2021, through May 10, 2021, the funds in

the three JohnDoe addresses were consolidated at Binance, as was done nearly one year prior. The

amounts deposited to Binance from JohnDoe2, JohnDoe3, and JohnDoe4 add up to exactly

76,800,000 SNGLS. When added to the 23,200,000 SNGLS routed through ZLB-Hack, the total

amount eventually deposited to Binance equals the 100,000,000 SNGLS originally sent from the Cold

Wallet. The transaction flow is detailed in the below table and graphic:

Time	From	To	Amount	Token
2020-07-17 14:46:40 UTC	**Cold Wallet**	**ZLB-Hack**	**100,000,000**	**SNGLS**
2020-07-17 14:50:15 UTC	ZLB-Hack	BinanceUser	20,000,000	SNGLS
2020-07-17 18:31:48 UTC	**BinanceUser**	**Binance**	**20,000,000**	**SNGLS**
2020-07-22 15:46:17 UTC	ZLB-Hack	BinanceUser	3,200,000	SNGLS
2020-07-24 18:48:22 UTC	**BinanceUser**	**Binance**	**3,200,000**	**SNGLS**
2021-05-06 21:52:00 UTC	**ZLB-Hack**	**JohnDoe1**	**76,800,000**	**SNGLS**
2021-05-07 09:20:07 UTC	JohnDoe1	JohnDoe2	500,000	SNGLS
2021-05-07 09:28:47 UTC	JohnDoe1	JohnDoe2	10,000,000	SNGLS
2021-05-07 11:08:51 UTC	JohnDoe1	JohnDoe2	12,000,000	SNGLS
2021-05-07 13:09:32 UTC	JohnDoe1	JohnDoe3	30,000	SNGLS
2021-05-07 13:09:32 UTC	JohnDoe1	JohnDoe3	25,000,000	SNGLS
2021-05-07 13:15:45 UTC	JohnDoe1	JohnDoe2	10,000	SNGLS
2021-05-07 13:41:03 UTC	JohnDoe1	JohnDoe4	29,260,000	SNGLS
2021-05-07 14:19:43 UTC	**JohnDoe2**	**Binance**	**22,510,000**	**SNGLS**
2021-05-08 09:21:42 UTC	**JohnDoe3**	**Binance**	**25,030,000**	**SNGLS**
2021-05-10 13:31:05 UTC	**JohnDoe4**	**Binance**	**29,260,000**	**SNGLS**

SNGJ TOKEN TRANSACTIONS RELATED TO THE MAY 6, 2021 ALLEGED HACK

22. On May 6, 2021, the controller of the Cold Wallet initiated a transaction sending 11,520,000 SNGJ tokens to address 0x2fdd1a203082f8df9a93ce6a85d55610ca049388, which is of unknown affiliation ("JohnDoe-SNGJ-1"). According to the Complaint, these SNGJ tokens are also related to the alleged hack (Complaint, ¶ 9). On May 23, 2021, JohnDoe-SNGJ-1 sent nearly the exact same amount of 11,519,999.999999999463129088 SNGJ tokens to another unknown address 0x4bb475803d571041f2255caa889ed5c312f4b663 ("JohnDoe-SNGJ-2"). Subsequently, on May 23, 2021 and May 24, 2021, JohnDoe-SNGJ-2 then sent two separate transactions, totaling 4,932,940 SNGJ tokens, to a third unknown address 0x018da4aba1bf9ee9dde04c2e1d905293a841eed3 ("JohnDoe-SNGJ-3"). At this period in time, on May 24, 2021, the JohnDoe-SNGJ-3 address already had a balance of over 112 million SNGJ tokens.
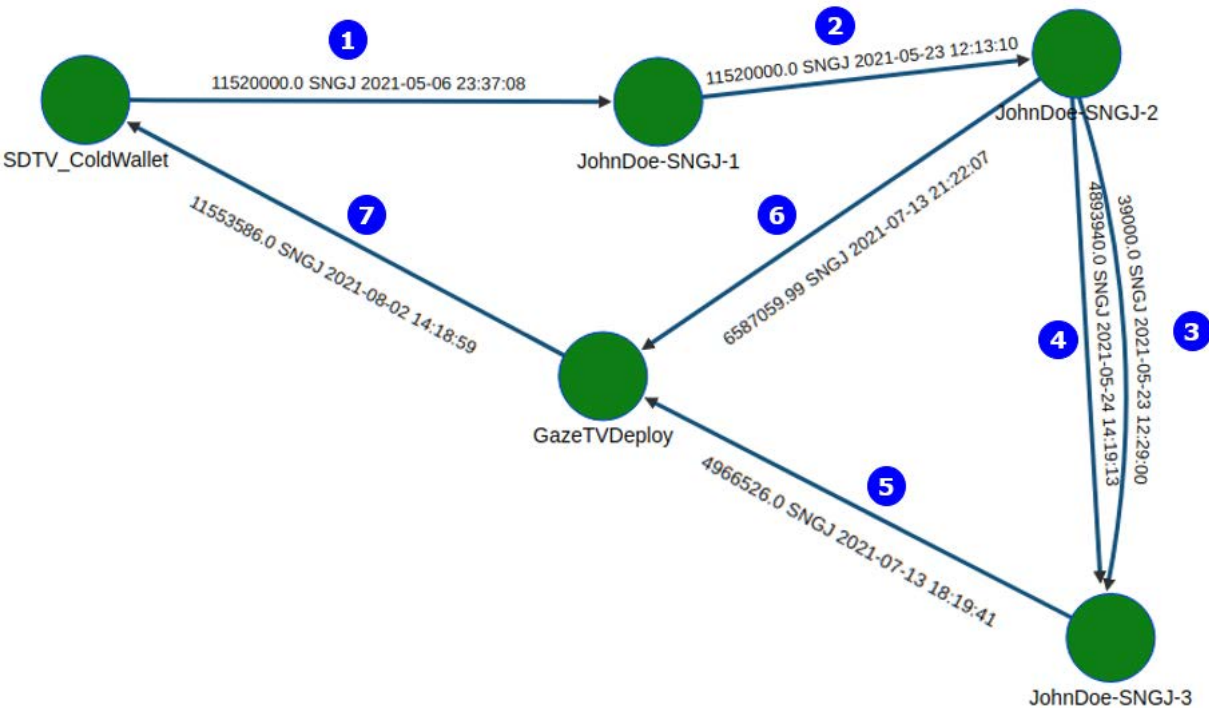
23. On July 13, 2021, JohnDoe-SNGJ-2 and JohnDoe-SNGJ-3 addresses sent 6,587,059.99 SNGJ and 4,966,526 SNGJ, respectively, to the GazeTV Deployer address (i.e., the entity that

deployed the GazeTV smart contract) for a total of 11,553,585.99 SNGJ tokens. On August 2, 2021, the GazeTV Deployer address then sent 11,553,586 SNGJ tokens to the Cold Wallet, effectively "repaying" the 11,520,000 SNGJ tokens that were originally transferred out of the address on May 6, 2021.

24. As referenced above, public records research reflects that ZLB was a Co-founder of the GazeTV Foundation, which is associated with GazeTV Deployer through the fact that the token address is listed both on the GazeTV and GazeTV Foundation websites. GazeTV Deployer was the address which "repaid" 11,554,586 to the Cold Wallet that was under ZLB's control by his own admission, as explored previously.

25. The following table and graphic depict the relevant transactions:

	Time	From	To	Amount	Token
1	2021-05-06 23:37:08 UTC	Cold Wallet	JohnDoe-SNGJ-1	11,520,000	SNGJ
2	2021-05-23 12:13:10 UTC	JohnDoe-SNGJ-1	JohnDoe-SNGJ-2	11,519,999.999999999463129088	SNGJ
3	2021-05-23 12:29:00 UTC	JohnDoe-SNGJ-2	JohnDoe-SNGJ-3	39,000	SNGJ
4	2021-05-24 14:19:13 UTC	JohnDoe-SNGJ-2	JohnDoe-SNGJ-3	4,893,940	SNGJ
5	2021-07-13 18:19:41 UTC	JohnDoe-SNGJ-3	GazeTVDeployer	4,966,526	SNGJ
6	2021-07-13 21:22:07 UTC	JohnDoe-SNGJ-2	GazeTVDeployer	6,587,059.99	SNGJ
7	2021-08-02 14:18:59 UTC	GazeTVDeployer	Cold Wallet	11,553,586	SNGJ

SUMMARY

26. ZLB confirmed in his sworn declaration that he controlled the Cold Wallet, which held company assets. The Cold Wallet originated payments that, through intermediary transactions, appear to have benefitted ZLB personally including (1) a transfer which resulted in the decrease of ZLB's personal loan balance and (2) a transfer that benefitted the GazeTV Deployer address, where public records reflect ZLB was the Co-founder of the supporting Foundation.

27. The Cold Wallet also had substantial transaction activity with BinanceUser, which typically sent to Binance any funds it received. BinanceUser was involved in many notable transactions, receiving funds directly from the Cold Wallet, JohnDoe-SNGLS-1, and ZLB-Hack. Said differently, the same address was used to send funds to Binance from the Cold Wallet and has ties to the variety of addresses involved in the transaction flows identified above.

28. As explored in the SNGLS DAO TRANSACTIONS section, funds from the Cold Wallet ended up in three addresses that routed through JohnDoe-SNGLS-1: Cold Wallet (accounted as an offset of an outstanding loan to ZLB), BinanceUser, and GazeTV Foundation. Similarly, the SNGLS TOKEN TRANSACTIONS section showed funds from the Cold Wallet ended up in BinanceUser and Binance addresses after being routed through multiple intermediary addresses. The SNGJ TOKEN TRANSACTIONS section showed that funds from the Cold Wallet were again routed through multiple intermediary addresses, including GazeTV Deployer (where ZLB was listed as a Co-founder of the supporting Foundation) before being "returned" to the Cold Wallet.

29. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge and belief.

Dated: December 23, 2021

Washington, DC

Kevin E. Madura